

Community Preservation Act Q&A - Financial Benefits

What is the Community Preservation Act (CPA)?

The Community Preservation Act is a program designed to help communities balance growth by establishing a fund to acquire and protect open space, preserve historical buildings and landscapes, and create more affordable housing for families and seniors. The State will provide matching funds to communities that adopt the CPA.

What growth pressures does Duxbury face?

The Duxbury 1999 Comprehensive Plan projects that Duxbury's population will grow by 80% from 14,880 to 26,877 people, while the number of houses will grow by 76%, from 5,737 to 10,082 dwellings. In addition, a depressed cranberry industry, the Old Colony and Greenbush Railroads, and the planned widening of Route 3 will also be placing additional pressures on the Town by creating more available land and making it more convenient for people to live on the South Shore.

What growth pressures does the South Shore and the region face?

For the first time, Southeastern Massachusetts is the fastest growing region within the Commonwealth. The State estimates that over 200,000 people will be moving to this region over the next twenty years. In Plymouth, for example, there are currently sev-

eral large-scale development projects underway including one consisting of the development of 6,000 acres with 2,800 new homes and 1 million square feet of commercial space. Plymouth's population is projected to grow from 52,000 to 125,000 people.

Doesn't growth lower my taxes by increasing the tax revenue base?

No. The costs needed to support a larger town often leads to higher taxes for everyone. In Duxbury's case, every new residential home actually costs the Town \$1.50 for every \$1 raised in tax revenue. This loss ratio has increased over the last four years.

Why adopt the CPA this year?

The State matching funds will be greatest for Towns that adopt the Act earliest. It is highly likely that this year the State would be matching Duxbury dollar for dollar. That means Duxbury would receive approximately \$800,000 in matching funds in the first year alone. As more towns adopt CPA the matching portion will decrease due to the \$26 million pool being shared between more towns.

What are the financial benefits to taxpayers?

The CPA will benefit tax-

payers financially in several ways:

- land will become more expensive - Duxbury would be able to acquire land before it becomes more expensive or unavailable.

- State matching funds lower costs - Taking advantage of matching funds from the State would lower the cost of acquisition and preservation to the taxpayer.

- increased property values - other towns that have implemented similar land banks have seen increases in property values. These increases have offset the cost of the tax surcharge to the taxpayer.

- minimize long term taxes - by balancing growth better Duxbury would eliminate the infrastructure costs and capital projects associated with supporting a town with 80% more people.

- flexibility - The CPA allows Duxbury to reduce the 3% tax surcharge (\$144 per average household) or add potential exemptions on an annual basis. Duxbury can also discontinue the program in five years if it chooses to.